

(b) A total of sixteen prospective bidders, comprising domestic and foreign bidders, purchased the bidding documents but only BHEL submitted bid.

(c) No public sector undertaking other than the Bharat Heavy Electricals Limited (BHEL) submitted their bid for the main plant turnkey package for Ramagundam Super Thermal Power Project State-III (1x500 MW).

### **Privatisation of SEBs**

1272. SHRIVEDPRAKASH P. GOYAL: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that after a decade of liberalized regime both the Government and investors in the power have concentrated on generation projects while transmission and distribution projects awaited investments;

(b) if so, the reason therefor;

(c) what were the findings of the recent incident when the entire northern grid collapsed;

(d) whether it is also a fact that privatisation of distribution is expected to reduce the distribution losses; and

(e) what are the plans to bring investment in this sector to improve the situation?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a), (b), (d) and (e) Entry of private sector in generation was facilitated by the policy changes introduced in 1991. The enactment of Electricity Law (Amendment) Act, 1998 (Act No. 22 of 1998) and the initiation of the reforms and restructuring in power sector, enabling investment from private sector in the field of transmission and distribution are expected to result in greater investment and efficiency in this area and in reduction of transmission and distribution losses in the States.

Power Grid Corporation of India Ltd. as the Central Transmission Utility has identified the Transmission system for evacuation of power from Tala Hydro-electric project in Bhutan (1020 MW) for execution through Joint Venture arrangements and for this purpose POWERGRID is setting up a Joint Venture Company. POWERGRID has also identified projects to be taken up with 100% equity participation from the private investors as Independent Power Transmission Company (IPTC). The IPTC will be selected on the basis of tariff based bidding.

The decision in respect of privatisation of distribution systems has to be taken by the appropriate agencies in the states. Government of Orissa have recently privatised distribution sector in the State. The other states which have initiated reforms in the distribution sector include Andhra Pradesh, Haryana, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh. With the establishment of Regulatory Commissions in many States and the decision to unbundled SEBs, private investments in transmission and distribution are expected to accelerate.

(c) Several factors contributed to the grid collapse in the Northern Region, which occurred on 2nd January, 2001. One Pole of Rihand-Dadri HVDC line was out of service from 14th December, 2000 due to multiple failure of converter transformers. This had restricted the transmission capability between the eastern part, where all pit-head generation is located and western part of the Northern Region, where major load centres are located. On the night of 1st/2nd January, 2001, a number of 220 KV and 400 KV lines of the U.P. transmission system tripped and this imposed a severe strain on the transmission system. The transmission capability which had been impaired due to reduced capability of the Rihand-Dadri HVDC line got further eroded due to tripping of major high voltage transmission lines in UP system and this triggered grid separation and collapse.

#### **Review Committee On Tehri Dam**

1273. SHRI S.S.AHLUWALIA: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that Prime Minister has ordered, in the wake of the recent earthquake epicentred in the Kutch region, for conducting review of the Tehri Dam;

(b) if so, the details of the Review Committee along with its terms of reference; and

(c) what is the time-frame, if any, for the proposed review?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) to (c) There is no rethinking on proceeding with the construction of Tehri Dam in the wake of recent unprecedented earthquakes in Gujarat as the same is designed for the Maximum Credible Earthquake (MCE) for the region/in its vicinity.